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GERALD ARMSTRONG
6
7
8

FILED

MAR 21 1994

HOWARD HANSON
MARIN COUNTY CLERK
By J Steele, Deputy

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 FOR THE COUNTY OF MARIN

RECEIVED

MAR 21 1994

11 CHURCH OF SCIENTOLOGY INTERNATIONAL,)
a California not-for-profit)
12 religious corporation,)

No. 157 680

HUB LAW OFFICES

13 Plaintiff,)

**ARMSTRONG'S REQUEST FOR
JUDICIAL NOTICE IN
OPPOSITION TO DEMURRER
TO FIRST AMENDED
CROSS-COMPLAINT**

14 vs.)

15 GERALD ARMSTRONG; MICHAEL WALTON;)
THE GERALD ARMSTRONG CORPORATION,)
16 a California for-profit)
corporation; DOES 1 through 100,)
17 inclusive,)

Date: March 25, 1994
Time: 9:00 a.m.
Dept: One
Trial Date: 9/29/94

18 Defendants.)
19

20 FORD GREENE declares:

21 1. I am an attorney licensed to practice law in the Courts
22 of the State of California, and the United States District Court,
23 Central District of California. I am the attorney of record for
24 Gerald Armstrong, defendant and cross-complainant herein.

25 2. I am the attorney of record for plaintiff in Lawrence D.
26 Wollersheim v. Church of Scientology of California, Los Angeles
27 Superior Court Case No. C 332027.

28 3. I am the attorney of record for plaintiffs in Aznaran v.

COPY

1 Church of Scientology of California, U.S. District Court, Central
2 District of California, Case No. CV-88-1786-JMI (Ex).

3 4. I am the attorney of record in all the litigation
4 brought against Gerald Armstrong by the Church of Scientology
5 International.

6 5. Based upon my representation in the Aznaran,
7 Wollersheim, and Armstrong litigation, I have personal knowledge
8 that the following documents are true and correct copies of
9 documents filed in such litigation. Said documents are identified
10 as follows:

11 Exhibit A - Memorandum of Intended Decision filed
12 June 22, 1984 in Church of Scientology v.
13 Gerald Armstrong, Los Angeles Superior
14 Court, Case No. C 420 153;

15
16 Exhibit B - Excerpts from Reporter's Transcript,
17 Chronology of Plaintiffs Witnesses, in
18 Lawrence D. Wollersheim v. Church of
19 Scientology of California, Los Angeles
20 Superior Court Case No. C 332027;

21
22 Exhibit C - Excerpts from Reporter's Transcript, July
23 11, 22, 1986, in Lawrence D. Wollersheim
24 v. Church of Scientology of California,
25 Los Angeles Superior Court Case No. C
26 332027;

27
28

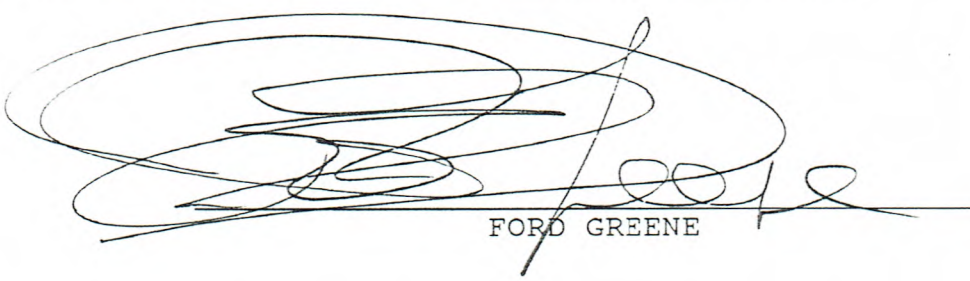
1 Exhibit D - Verified Complaint For Damages And For
2 Preliminary And Permanent Injunctive
3 Relief For Breach Of Contract filed on
4 February 4, 1992, in Marin County
5 Superior Court, Case No. 152 229;

6
7 Exhibit E - Declaration of Ford Greene Opposing
8 Motion To Exclude Expert Testimony filed
9 on August 26, 1991, in Aznaran v. Church
10 of Scientology of California, U.S.
11 District Court, Central District of
12 California, Case No. CV-88-1786-JMI (Ex).
13

14 6. Pursuant to Evidence Code section 452, I request that
15 the Court take judicial notice of Exhibits A through E, inclusive,
16 above.

17 Under penalty of perjury pursuant to the laws of the State of
18 California I hereby declare that the foregoing is true and correct
19 according to my first-hand knowledge, except those matters stated
20 to be on information and belief, and as to those matters, I
21 believe them to be true.

22 Executed on March 19, 1994, at San Anselmo, California

23
24
25
26 
27 FORD GREENE
28

PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: REQUEST FOR JUDICIAL NOTICE IN OPPOSITION TO DEMURRER TO FIRST AMENDED CROSS-COMPLAINT on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

LAURIE J. BARTILSON, ESQ.
Bowles & Moxon
6255 Sunset Boulevard
Suite 2000
Los Angeles, California 90028
(By Telecopier at 6:20 p.m.)

MICHAEL WALTON
P.O. Box 751
San Anselmo, California 94960

[x] (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

[x] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: March 19, 1994

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FILED
JUN 22 1984
Clerk of Court
Rosie M. Hart
BY ROSIE M. HART, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF CALIFORNIA,)	No. C 420153
)	
Plaintiff,)	MEMORANDUM OF
)	INTENDED DECISION
vs.)	
)	
GERALD ARMSTRONG,)	
)	
Defendant.)	
<hr/>		
MARY SUE HUBBARD,)	
)	
Intervenor.)	
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In this matter heretofore taken under submission, the Court announces its intended decision as follows:

As to the tort causes of action, plaintiff, and plaintiff in intervention are to take nothing, and defendant is entitled to Judgment and costs.

As to the equitable actions, the court finds that neither plaintiff has clean hands, and that at least as of this time, are not entitled to the immediate return of any document or objects presently retained by the court clerk. All exhibits

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1 received in evidence or marked for identification, unless
2 specifically ordered sealed¹, are matters of public record and
3 shall be available for public inspection or use to the same
4 extent that any such exhibit would be available in any other
5 lawsuit. In other words they are to be treated henceforth no
6 differently than similar exhibits in other cases in Superior
7 Court. Furthermore, the "inventory list and description," of
8 materials turned over by Armstrong's attorneys to the court,
9 shall not be considered or deemed to be confidential, private,
10 or under seal.

11 All other documents or objects presently in the possession
12 of the clerk (not marked herein as court exhibits) shall be
13 retained by the clerk, subject to the same orders as are
14 presently in effect as to sealing and inspection, until such
15 time as trial court proceedings are concluded as to the severed
16 cross complaint. For the purposes of this Judgment, conclusion
17 will occur when any motion for a new trial has been denied, or
18 the time within such a motion must be brought has expired
19 without such a motion being made. At that time, all documents
20 neither received in evidence, nor marked for identification
21 only, shall be released by the clerk to plaintiff's
22 representatives. Notwithstanding this order, the parties may
23
24

25 1. Exhibits in evidence No. 500-40; JJJ; KKK; LLL; MMM;
26 NNN; OOO; PPP; QQQ; RRR; and 500-QQQQ.

27 Exhibits for identification only No. JJJJ; Series
28 500-DDDD, EEEE, FFFF, GGGG, HHHH, IIII, NNNN-1, OOOO, ZZZZ,
CCCCC, GGGGG, IIIII, KKKKK, LLLLL, OOOOO, PPPPP, QQQQQ, BBBBBB,
OOOOOO, BBBB̄BB̄.

1 at any time by written stipulation filed with the clerk obtain
2 release of any or all such unused materials.

3 Defendant and his counsel are free to speak or communicate
4 upon any of Defendant Armstrong's recollections of his life as
5 a Scientologist or the contents of any exhibit received in
6 evidence or marked for identification and not specifically
7 ordered sealed. As to all documents, and other materials held
8 under seal by the clerk, counsel and the defendant shall remain
9 subject to the same injunctions as presently exist, at least
10 until the conclusion of the proceedings on the cross complaint.
11 However, in any other legal proceedings in which defense
12 counsel, or any of them, is of record, such counsel shall have
13 the right to discuss exhibits under seal, or their contents, if
14 such is reasonably necessary and incidental to the proper
15 representation of his or her client.

16 Further, if any court of competent jurisdiction orders
17 defendant or his attorney to testify concerning the fact of any
18 such exhibit, document, object, or its contents, such testimony
19 shall be given, and no violation of this order will occur.
20 Likewise, defendant and his counsel may discuss the contents of
21 any documents under seal or of any matters as to which this
22 court has found to be privileged as between the parties hereto,
23 with any duly constituted Governmental Law Enforcement Agency
24 or submit any exhibits or declarations thereto concerning such
25 document or materials, without violating any order of this
26 court.

27 ///

28 ///

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1 This court will retain jurisdiction to enforce, modify,
2 alter, or terminate any injunction included within the
3 Judgment.

4 Counsel for defendant is ordered to prepare, serve, and
5 file a Judgment on the Complaint and Complaint in Intervention,
6 and Statement of Decision if timely and properly requested,
7 consistent with the court's intended decision.

8
9 Discussion

10 The court has found the facts essentially as set forth in
11 defendant's trial brief, which as modified, is attached as an
12 appendix to this memorandum. In addition the court finds that
13 while working for L.R. Hubbard (hereinafter referred to as
14 LRH), the defendant also had an informal employer-employee
15 relationship with plaintiff Church, but had permission and
16 authority from plaintiffs and LRH to provide Omar Garrison with
17 every document or object that was made available to Mr. ~~Hubbard~~
18 Garrison, and further, had permission from Omar Garrison to
19 take and deliver to his attorneys the documents and materials
20 which were subsequently delivered to them and thenceforth into
21 the custody of the County Clerk.

22 Plaintiff Church has made out a prima facie case of
23 conversion (as bailee of the materials), breach of fiduciary
24 duty, and breach of confidence (as the former employer who
25 provided confidential materials to its then employee for
26 certain specific purposes, which the employee later used for
27 other purposes to plaintiff's detriment). Plaintiff Mary Jane
28 Hubbard has likewise made out a prima facie case of conversion

1 and invasion of privacy (misuse by a person of private matters
2 entrusted to him for certain specific purposes only).

3 While defendant has asserted various theories of defense,
4 the basic thrust of his testimony is that he did what he did,
5 because he believed that his life, physical and mental well
6 being, as well as that of his wife were threatened because the
7 organization was aware of what he knew about the life of LRH,
8 the secret machinations and financial activities of the Church,
9 and his dedication to the truth. He believed that the only way
10 he could defend himself, physically as well as from harassing
11 lawsuits, was to take from Omar Garrison those materials which
12 would support and corroborate everything that he had been
13 saying within the Church about LRH and the Church, or refute
14 the allegations made against him in the April 22 Suppressive
15 Person Declare. He believed that the only way he could be sure
16 that the documents would remain secure for his future use was
17 to send them to his attorneys, and that to protect himself, he
18 had to go public so as to minimize the risk that LRH, the
19 Church, or any of their agents would do him physical harm.

20 This conduct if reasonably believed in by defendant and
21 engaged in by him in good faith, finds support as a defense to
22 the plaintiff's charges in the Restatements of Agency, Torts,
23 and case law.

24 Restatement of Agency, Second, provides:

25 "Section 395f: An agent is privileged to reveal
26 information confidentially acquired by him in the course
27 of his agency in the protection of a superior interest of
28 himself or a third person.

1 "Section 418: An agent is privileged to protect
2 interests of his own which are superior to those of the
3 principal, even though he does so at the expense of the
4 principal's interest or in disobedience to his orders."

5 Restatement of torts, Second, section 271:

6 "One is privileged to commit an act which would
7 otherwise be a trespass to or a conversion of a chattel in
8 the possession of another, for the purpose of defending
9 himself or a third person against the other, under the
10 same conditions which would afford a privilege to inflict
11 harmful or offensive contact upon the other for the same
12 purpose."

13 The Restatement of Torts, Second, section 652a, as well as
14 case law, make it clear that not all invasions of privacy are
15 unlawful or tortious. It is only when the invasion is
16 unreasonable that it becomes actionable. Hence, the trier of
17 fact must engage in a balancing test, weighing the nature and
18 extent of the invasion, as against the purported justification
19 therefore to determine whether in a given case, the particular
20 invasion or intrusion was unreasonable.

21 In addition the defendant has asserted as a defense the
22 principal involved in the case of Willig v. Gold, 75
23 Cal.App.2d, 809, 814, which holds that an agent has a right or
24 privilege to disclose his principal's dishonest acts to the
25 party prejudicially affected by them.

26 Plaintiff Church has asserted and obviously has certain
27 rights arising out of the First Amendment. Thus, the court
28 cannot, and has not, inquired into or attempted to evaluate the

1 merits, accuracy, or truthfulness of Scientology or any of its
2 precepts as a religion. First Amendment rights, however,
3 cannot be utilized by the Church or its members, as a sword to
4 preclude the defendant, whom the Church is suing, from
5 defending himself. Therefore, the actual practices of the
6 Church or its members, as it relates to the reasonableness of
7 the defendant's conduct and his state of mind are relevant,
8 admissible, and have been considered by the court.

9 As indicated by its factual findings, the court finds the
10 testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan,
11 Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas,
12 and Howard Schomer to be credible, extremely persuasive, and
13 the defense of privilege or justification established and
14 corroborated by this evidence. Obviously, there are some
15 discrepancies or variations in recollections, but these are the
16 normal problems which arise from lapse of time, or from
17 different people viewing matters or events from different
18 perspectives. In all critical and important matters, their
19 testimony was precise, accurate, and rang true. The picture
20 painted by these former dedicated Scientologists, all of whom
21 were intimately involved with LRH, or Mary Jane Hubbard, or of
22 the Scientology Organization, is on the one hand pathetic, and
23 on the other, outrageous. Each of these persons literally gave
24 years of his or her respective life in support of a man, LRH,
25 and his ideas. Each has manifested a waste and loss or
26 frustration which is incapable of description. Each has broken
27 with the movement for a variety of reasons, but at the same
28 time, each is, still bound by the knowledge that the Church has

1 in its posse. On his or her most inner thoughts and
2 confessions, all recorded in "pre-clear (P.C.) folders" or
3 other security files of the organization, and that the Church
4 or its minions is fully capable of intimidation or other
5 physical or psychological abuse if it suits their ends. The
6 record is replete with evidence of such abuse.

7 In 1970 a police agency of the French Government conducted
8 an investigation into Scientology and concluded, "this sect,
9 under the pretext of 'freeing humans' is nothing in reality but
10 a vast enterprise to extract the maximum amount of money from
11 its adepts by (use of) pseudo-scientific theories, by (use of)
12 'auditions' and 'stage settings' (lit. to create a theatrical
13 scene') pushed to extremes (a machine to detect lies, its own
14 particular phraseology . . .), to estrange adepts from their
15 families and to exercise a kind of blackmail against persons
16 who do not wish to continue with this sect."² From the
17 evidence presented to this court in 1984, at the very least,
18 similar conclusions can be drawn. In addition to violating and
19 abusing its own members civil rights, the organization over the
20 years with its "Fair Game" doctrine has harassed and abused
21 those persons not in the Church whom it perceives as enemies.
22 The organization clearly is schizophrenic and paranoid, and
23 this bizarre combination seems to be a reflection of its
24 founder LRH. The evidence portrays a man who has been
25 virtually a pathological liar when it comes to his history,
26
27

28 2. Exhibit 500-HHHHH.

1 background, . . . achievements. The writ. gs and documents in
2 evidence additionally reflect his egoism, greed, avarice, lust
3 for power, and vindictiveness and aggressiveness against
4 persons perceived by him to be disloyal or hostile. At the
5 same time it appears that he is charismatic and highly capable
6 of motivating, organizing, controlling, manipulating, and
7 inspiring his adherents. He has been referred to during the
8 trial as a "genius," a "revered person," a man who was "viewed
9 by his followers in awe." Obviously, he is and has been a very
10 complex person, and that complexity is further reflected in his
11 alter ego, the Church of Scientology. Notwithstanding
12 protestations to the contrary, this court is satisfied that LRH
13 runs the Church in all ways through the Sea Organization, his
14 role of Commodore, and the Commodore's Messengers.³ He has, of
15 course, chosen to go into "seclusion," but he maintains contact
16 and control through the top messengers. Seclusion has its
17 light and dark side too. It adds to his mystique, and yet
18 shields him from accountability and subpoena or service of
19 summons.

20 LRH's wife, Mary Sue Hubbard is also a plaintiff herein.
21 On the one hand she certainly appeared to be a pathetic
22 individual. She was forced from her post as Controller,
23 convicted and imprisoned as a felon, and deserted by her
24 husband. On the other hand her credibility leaves much to be
25 desired. She struck the familiar pose of not seeing, hearing,
26

27 3. See Exhibit K: Flag Order 3729 - 15 September 1978
28 "Commodore's Messengers."

1 or knowing a evil. Yet she was the head of the Guardian
2 Office for years and among other things, authored the infamous
3 order "GO 121669"⁴ which directed culling of supposedly
4 confidential P.C. files/folders for purposes of internal
5 security. In her testimony she expressed the feeling that
6 defendant by delivering the documents, writings, letters to his
7 attorneys, subjected her to mental rape. The evidence is clear
8 and the court finds that defendant and Omar Garrison had
9 permission to utilize these documents for the purpose of
10 Garrison's proposed biography. The only other persons who were
11 shown any of the documents were defendant's attorneys, the
12 Douglasses, the Dincalcis, and apparently some documents
13 specifically affecting LRH's son "Nibs," were shown to "Nibs."
14 The Douglasses and Dincalcises were disaffected Scientologists
15 who had a concern for their own safety and mental security, and
16 were much in the same situation as defendant. They had not
17 been declared as suppressive, but Scientology had their P.C.
18 folders, as well as other confessions, and they were extremely
19 apprehensive. They did not see very many of the documents, and
20 it is not entirely clear which they saw. At any rate Mary Sue
21 Hubbard did not appear to be so much distressed by this fact,
22 as by the fact that Armstrong had given the documents to
23 Michael Flynn, whom the Church considered its foremost

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4. Exhibit AAA.

1 lawyer-enemy." However, just as the plaintiffs have First
2 Amendment rights, the defendant has a Constitutional right to
3 an attorney of his own choosing. In legal contemplation the
4 fact that defendant selected Mr. Flynn rather than some other
5 lawyer cannot by itself be tortious. In determining whether
6 the defendant unreasonably invaded Mrs. Hubbard's privacy, the
7 court is satisfied the invasion was slight, and the reasons and
8 justification for defendant's conduct manifest. Defendant was
9 told by Scientology to get an attorney. He was declared an
10 enemy by the Church. He believed, reasonably, that he was
11 subject to "fair game." The only way he could defend himself,
12 his integrity, and his wife was to take that which was
13 available to him and place it in a safe harbor, to wit, his
14 lawyer's custody. He may have engaged in overkill, in the
15 sense that he took voluminous materials, some of which appear
16 only marginally relevant to his defense. But he was not a
17 lawyer and cannot be held to that precise standard of judgment.
18 Further, at the time that he was accumulating the material, he
19 was terrified and undergoing severe emotional turmoil. The
20 court is satisfied that he did not unreasonably intrude upon
21 Mrs. Hubbard's privacy under the circumstances by in effect
22 simply making his knowledge that of his attorneys. It is, of
23 course, rather ironic that the person who authorized G.O. order
24 121669 should complain about an invasion of privacy. The

25
26 5. "No, I think my emotional distress and upset is the
27 fact that someone took papers and materials without my
28 authorization and then gave them to your Mr. Flynn."
Reporter's Transcript, p. 1006.

1 practice of culling supposedly confidential "P.C. folders or
2 files" to obtain information for purposes of intimidation
3 and/or harassment is repugnant and outrageous. The Guardian's
4 Office, which plaintiff headed, was no respecter of anyone's
5 civil rights, particularly that of privacy. Plaintiff Mary Sue
6 Hubbard's cause of action for conversion must fail for the same
7 reason as plaintiff Church. The documents were all together in
8 Omar Garrison's possession. There was no rational way the
9 defendant could make any distinction.

10 Insofar as the return of documents is concerned, matters
11 which are still under seal may have evidentiary value in the
12 trial of the cross complaint or in other third party
13 litigation. By the time that proceedings on the cross
14 complaint are concluded, the court's present feeling is that
15 those documents or objects not used by that time should be
16 returned to plaintiff. However, the court will reserve
17 jurisdiction to reconsider that should circumstances warrant.

18 Dated: June 20, 1984

19
20 Paul G. Breckenridge, Jr.
21 PAUL G. BRECKENRIDGE, JR.
22 Judge of the Superior Court
23

24 THE DOCUMENT TO WHICH THIS CERTIFICATE IS AT-
25 TACHED IS A FULL TRUE AND CORRECT COPY OF THE
26 ORIGINAL ON FILE AND OF RECORD IN MY OFFICE.

27 ATTEST SEP 11 1984 19

28 JOHN J. CORCORAN, County Clerk and Clerk of the
Superior Court of California,
County of Los Angeles

BY S. Hurst DEPUTY

S. HURST

1
2 Appendix

3 Defendant Armstrong was involved with Scientology from
4 1969 through 1981, a period spanning 12 years. During that
5 time he was a dedicated and devoted member who revered the
6 founder, L. Ron Hubbard. There was little that Defendant
7 Armstrong would not do for Hubbard or the Organization. He
8 gave up formal education, one-third of his life, money and
9 anything he could give in order to further the goals of
10 Scientology, goals he believed were based upon the truth,
11 honesty, integrity of Hubbard and the Organization.

12 From 1971 through 1981, Defendant Armstrong was a member
13 of the Sea Organization, a group of highly trained
14 scientologists who were considered the upper echelon of the
15 Scientology organization. During those years he was placed in
16 various locations, but it was never made clear to him exactly
17 which Scientology corporation he was working for. Defendant
18 Armstrong understood that, ultimately, he was working for L.
19 Ron Hubbard, who controlled all Scientology finances,
20 personnel, and operations while Defendant was in the Sea
21 Organization.

22 Beginning in 1979 Defendant Armstrong resided at Gilman
23 Hot Springs, California, in Hubbard's "Household Unit." The
24 Household Unit took care of the personal wishes and needs of
25 Hubbard at many levels. Defendant Armstrong acted as the L.
26 Ron Hubbard Renovations In-Charge and was responsible for
27 renovations, decoration, and maintenance of Hubbard's home and
28 office at Gilman Hot Springs.

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1 In January of 1980 there was an announcement of a possible
2 raid to be made by the FBI or other law enforcement agencies of
3 the property. Everyone on the property was required by
4 Hubbard's representatives, the Commodore's Messengers, to go
5 through all documents located on the property and "vet" or
6 destroy anything which showed that Hubbard controlled
7 Scientology organizations, retained financial control, or was
8 issuing orders to people at Gilman Hot Springs.

9 A commercial paper shredder was rented and operated day
10 and night for two weeks to destroy hundreds of thousands of
11 pages of documents.

12 During the period of shredding, Brenda Black, the
13 individual responsible for storage of Hubbard's personal
14 belongings at Gilman Hot Springs, came to Defendant Armstrong
15 with a box of documents and asked whether they were to be
16 shredded. Defendant Armstrong reviewed the documents and found
17 that they consisted of a wide variety of documents including
18 Hubbard's personal papers, diaries, and other writings from a
19 time before he started Dianetics in 1950, together with
20 documents belonging to third persons which had apparently been
21 stolen by Hubbard or his agents. Defendant Armstrong took the
22 documents from Ms. Black and placed them in a safe location on
23 the property. He then searched for and located another twenty
24 or more boxes containing similar materials, which were poorly
25 maintained.

26 On January 8, 1980, Defendant Armstrong wrote a petition
27 to Hubbard requesting his permission to perform the research
28 for a biography to be done about his life. The petition states

1 that Defendant Armstrong had located the subject materials and
2 lists of a number of activities he wished to perform in
3 connection with the biography research.

4 Hubbard approved the petition, and Defendant Armstrong
5 became the L. Ron Hubbard Personal Relations Officer Researcher
6 (PPRO Res). Defendant claims that this petition and its
7 approval forms the basis for a contract between Defendant and
8 Hubbard. Defendant Armstrong's supervisor was then Laurel
9 Sullivan, L. Ron Hubbard's Personal Public Relations Officer.

10 During the first part of 1980, Defendant Armstrong moved
11 all of the L. Ron Hubbard Archives materials he had located at
12 Gilman Hot Springs to an office in the Church of Scientology
13 Cedars Complex in Los Angeles. These materials comprised
14 approximately six file cabinets. Defendant Armstrong had
15 located himself in the Cedars Complex, because he was also
16 involved in "Mission Corporate Category Sort-Out," a mission to
17 work out legal strategy. Defendant Armstrong was involved with
18 this mission until June of 1980.

19 It was also during this early part of 1980 that Hubbard
20 left the location in Gilman Hot Springs, California, and went
21 into hiding. Although Defendant Armstrong was advised by
22 Laurel Sullivan that no one could communicate with Hubbard,
23 Defendant Armstrong knew that the ability for communication
24 existed, because he had forwarded materials to Hubbard at his
25 request in mid-1980.

26 Because of this purported inability to communicate with
27 Hubbard, Defendant Armstrong's request to purchase biographical
28 materials of Hubbard from people who offered them for sale went

1 to the Commoc. 's Messenger Organization, the personal
2 representatives of Hubbard.

3 In June of 1980 Defendant Armstrong became involved in the
4 selection of a writer for the Hubbard biography. Defendant
5 Armstrong learned that Hubbard had approved of a biography
6 proposal prepared by Omar Garrison, a writer who was not a
7 member of Scientology. Defendant Armstrong had meetings with
8 Mr. Garrison regarding the writing of the biography and what
9 documentation and assistance would be made available to him.
10 As understood by Mr. Garrison, Defendant Armstrong represented
11 Hubbard in these discussions.

12 Mr. Garrison was advised that the research material he
13 would have at his disposal were Hubbard's personal archives.
14 Mr. Garrison would only undertake a writing of the biography if
15 the materials provided to him were from Hubbard's personal
16 archives, and only if his manuscript was subject to the
17 approval of Hubbard himself.

18 In October of 1980 Mr. Garrison came to Los Angeles and
19 was toured through the Hubbard archives materials that
20 Defendant Armstrong had assembled up to that time. This was an
21 important "selling point" in obtaining Mr. Garrison's agreement
22 to write the biography. On October 30, 1980, an agreement was
23 entered into between Ralston-Pilot, ncv. F/S/O Omar V.
24 Garrison, and AOSH DK Publications of Copenhagen, Denmark, for
25 the writing of a biography of Hubbard.

26 Paragraph 10B of the agreement states that:

27 "Publisher shall use its best efforts to provide
28 Author with an office, an officer assistant and/or

1 research assistant, office supplies and any needed
2 archival and interview materials in connection with
3 the writing of the Work."

4 The "research assistant" provided to Mr. Garrison was
5 Defendant Armstrong.

6 During 1980 Defendant Armstrong exchanged correspondence
7 with Intervenor regarding the biography project. Following his
8 approval by Hubbard as biography researcher, Defendant
9 Armstrong wrote to Intervenor on February 5, 1980, advising her
10 of the scope of the project. In the letter Defendant stated
11 that he had found documents which included Hubbard's diary from
12 his Orient trip, poems, essays from his youth, and several
13 personal letters, as well as other things.

14 By letter of February 11, 1980, Intervenor responded to
15 Defendant, acknowledging that he would be carrying out the
16 duties of Biography Researcher.

17 On October 14, 1980, Defendant Armstrong again wrote to
18 Intervenor, updating her on "Archives materials" and proposing
19 certain guidelines for the handling of those materials.

20 It was Intervenor who, in early 1981, ordered certain
21 biographical materials from "Controller Archives" to be
22 delivered to Defendant Armstrong. These materials consisted of
23 several letters written by Hubbard in the 1920's and 1930's,
24 Hubbard's Boy Scout books and materials, several old Hubbard
25 family photographs, a diary kept by Hubbard in his youth, and
26 several other items.

27 Defendant Armstrong received these materials upon the
28 order of Intervenor, following his letter of October 15, 1980,

1 to her in which Defendant stated, at page 1, that there were
2 materials in the "Controller Archives" that would be helpful to
3 him in the biography research.

4 After these materials were delivered to Defendant
5 Armstrong, Intervenor was removed from her Scientology position
6 of Controller in 1981, presumably because of her conviction for
7 the felony of obstruction of justice in connection with the
8 theft of Scientology documents from various government offices
9 and agencies in Washington, D.C.

10 During the time Defendant Armstrong worked on the
11 biography project and acted as Hubbard Archivist, there was
12 never any mention that he was not to be dealing with Hubbard's
13 personal documents or that the delivery of those documents to
14 Mr. Garrison was not authorized.

15 For the first year or more of the Hubbard biography and
16 archive project, funding came from Hubbard's personal staff
17 unit at Gilman Hot Springs, California. In early 1981,
18 however, Defendant Armstrong's supervisor, Laurel Sullivan,
19 ordered him to request that funding come from what was known as
20 SEA Org Reserves. Approval for this change in funding came
21 from the SEA Org Reserves Chief and Watch Dog Committee, the
22 top Commodores Messenger Organization unit, who were Hubbard's
23 personal representatives.

24 From November of 1980 through 1981, Defendant Armstrong
25 worked closely with Mr. Garrison, assembling Hubbard's archives
26 into logical categories, copying them and arranging the copies
27 of the Archives materials into bound volumes. Defendant
28 Armstrong made two copies of almost all documents copied for

1 Mr. Garrison - one for Mr. Garrison and the other to remain in
2 Hubbard Archives for reference or recopying. Defendant
3 Armstrong created approximately 400 binders of documents. The
4 vast majority of the documents for Mr. Garrison came from
5 Hubbard's personal Archives, of which Defendant Armstrong was
6 in charge. Materials which came from other Archives, such as
7 the Controller Archives, were provided to Defendant Armstrong
8 by Scientology staff members who had these documents in their
9 care.

10 It was not until late 1981 that Plaintiff was to provide a
11 person to assist on the biography project by providing Mr.
12 Garrison with "Guardian Office" materials, otherwise described
13 as technical materials relating to the operation of
14 Scientology. The individual appointed for this task was Vaughn
15 Young. Controller Archives and Guardian Office Archives had no
16 connection to the Hubbard Archives, which Defendant Armstrong
17 created and maintained as Hubbard's personal materials.

18 In addition to the assemblage of Hubbard's Archives,
19 Defendant Armstrong worked continually on researching and
20 assembling materials concerning Hubbard by interviewing dozens
21 of individuals, including Hubbard's living aunt, uncle, and
22 four cousins. Defendant Armstrong did a geneology study of
23 Hubbard's family and collected, assembled, and read hundreds of
24 thousands of pages of documentation in Hubbard's Archives.

25 During 1980 Defendant Armstrong remained convinced of
26 Hubbard's honesty and integrity and believed that the
27 representations he had made about himself in various
28 publications were truthful. Defendant Armstrong was devoted to

1 Hubbard and was convinced that any information which he
2 discovered to be unflattering of Hubbard or contradictory to
3 what Hubbard has said about himself, was a lie being spread by
4 Hubbard's enemies. Even when Defendant Armstrong located
5 documents in Hubbard's Archives which indicated that
6 representations made by Hubbard and the Organization were
7 untrue, Defendant Armstrong would find some means to "explain
8 away" the contradictory information.

9 Slowly, however, throughout 1981, Defendant Armstrong
10 began to see that Hubbard and the Organization had continuously
11 lied about Hubbard's past, his credentials, and his
12 accomplishments. Defendant Armstrong believed, in good faith,
13 that the only means by which Scientology could succeed in what
14 Defendant Armstrong believed was its goal of creating an
15 ethical environment on earth, and the only way Hubbard could be
16 free of his critics, would be for Hubbard and the Organization
17 to discontinue the lies about Hubbard's past, his credentials,
18 and accomplishments. Defendant Armstrong resisted any public
19 relations piece or announcement about Hubbard which the L. Ron
20 Hubbard Public Relations Bureau proposed for publication which
21 was not factual. Defendant Armstrong attempted to change and
22 make accurate the various "about the author" sections in
23 Scientology books, and further, Defendant rewrote or critiqued
24 several of these and other publications for the L. Ron Hubbard
25 Public Relations Bureau and various Scientology Organizations.
26 Defendant Armstrong believed and desired that the Scientology
27 Organization and its leader discontinue the perpetration of the

28 ///

1 massive fraud upon the innocent followers of Scientology, and
2 the public at large.

3 Because of Defendant Armstrong's actions, in late November
4 of 1981, Defendant was requested to come to Gilman Hot Springs
5 by Commodore Messenger Organization Executive, Cirrus Slevin.
6 Defendant Armstrong was ordered to undergo a "security check,"
7 which involved Defendant Armstrong's interrogation while
8 connected to a crude Scientology lie detector machine called an
9 E-meter.

10 The Organization wished to determine what materials
11 Defendant Armstrong had provided to Omar Garrison. Defendant
12 Armstrong was struck by the realization that the Organization
13 would not work with him to correct the numerous fraudulent
14 representations made to followers of Scientology and the public
15 about L. Ron Hubbard and the Organization itself. Defendant
16 Armstrong, who, for twelve years of his life, had placed his
17 complete and full trust in Mr. and Mrs. Hubbard and the
18 Scientology Organization, saw that his trust had no meaning and
19 that the massive frauds perpetrated about Hubbard's past,
20 credentials, and accomplishments would continue to be spread.

21 Less than three weeks before Defendant Armstrong left
22 Scientology, he wrote a letter to Cirrus Slevin on November 25,
23 1981, in which it is clear that his intentions in airing the
24 inaccuracies, falsehoods, and frauds regarding Hubbard were
25 done in good faith. In his letter he stated as follows:

26 "If we present inaccuracies, hyperbole
27 or downright lies as fact or truth, it
28 doesn't matter what slant we give them, if

1 disproved the man will look, to outsiders
2 at least, like a charlatan. This is what
3 I'm trying to prevent and what I've been
4 working on the past year and a half.

5 . . .

6 "and that is why I said to Norman that
7 it is up to us to insure that everything
8 which goes out about LRH is one hundred
9 percent accurate. That is not to say that
10 opinions can't be voiced, they can. And
11 they can contain all the hype you want.
12 But they should not be construed as facts.
13 And anything stated as a fact should be
14 documentable.

15 "we are in a period when
16 'investigative reporting' is popular, and
17 when there is relatively easy access to
18 documentation on a person. We can't delude
19 ourselves I believe, if we want to gain
20 public acceptance and cause some betterment
21 in society, that we can get away with
22 statements, the validity of which we don't
23 know.

24 "The real disservice to LRH, and the
25 ultimate make-wrong is to go on assuming
26 that everything he's ever written or said
27 is one hundred percent accurate and publish
28 it as such without verifying it. I'm

1 talking here about biographical or
2 non-technical writings. This only leads,
3 should any of his statements turn out to be
4 inaccurate, to a make-wrong of him, and
5 consequently his technology.

6 "That's what I'm trying to remedy and
7 prevent.

8
9 "To say that LRH is not capable of
10 hype, errors or lies is certainly sic not
11 granting him much of a beingness. To
12 continue on with the line that he has never
13 erred nor lied is counterproductive. It is
14 an unreal attitude and too far removed from
15 both the reality and people in general that
16 it would widen public unacceptance.

17
18 " That is why I feel the
19 falsities must be corrected, and why we
20 must verify our facts and present them in a
21 favorable light."

22
23 The remainder of the letter contains examples of facts
24 about Hubbard which Defendant Armstrong found to be wholly
25 untrue or inaccurate and which were represented as true by the
26 Hubbards and the Scientology Organization.

27 In December of 1981 Defendant Armstrong made the decision
28 to leave the Church of Scientology. In order to continue in

1 his commitment to Hubbard and Mr. Garrison in the biography
2 project, he copied a large quantity of documents, which Mr.
3 Garrison had requested or which would be useful to him for the
4 biography. Defendant Armstrong delivered all of this material
5 to Mr. Garrison the date he left the SEA Organization and kept
6 nothing in his possession.

7 Thereafter, Defendant Armstrong maintained friendly
8 relations with Hubbard's representatives by returning to the
9 Archives office and discussing the various categories of
10 materials. In fact on February 24, 1982, Defendant Armstrong
11 wrote to Vaughn Young, regarding certain materials Mr. Young
12 was unable to locate for Omar Garrison.

13 After this letter was written, Defendant Armstrong went to
14 the Archives office and located certain materials Mr. Garrison
15 had wanted which Hubbard representatives claimed they could not
16 locate.

17 At the time Defendant Armstrong left the SEA Organization,
18 he was disappointed with Scientology and Hubbard, and also felt
19 deceived by them. However, Defendant Armstrong felt he had no
20 enemies and felt no ill will toward anyone in the Organization
21 or Hubbard, but still believed that a truthful biography should
22 be written.

23 After leaving the SEA Organization, Defendant ARMstrong
24 continued to assist Mr. Garrison with the Hubbard biography
25 project. In the spring of 1982, Defendant Armstrong at Mr.
26 Garrison's request, transcribed some of his interview tapes,
27 copied some of the documentation he had, and assembled several
28 more binders of copied materials. Defendant Armstrong also set

1 up shelves for Mr. Garrison for all the biography research
2 materials, worked on a cross-reference systems, and continued
3 to do library research for the biography.

4 On February 18, 1982, the Church of Scientology
5 International issued a "Suppressive Person Declare Gerry
6 Armstrong," which is an official Scientology document issued
7 against individuals who are considered as enemies of the
8 Organization. Said Suppressive Person Declare charged that
9 Defendant Armstrong had taken an unauthorized leave and that he
10 was spreading destructive rumors about Senior Scientologists.

11 Defendant Armstrong was unaware of said Suppressive Person
12 Declare until April of 1982. At that time a revised Declare
13 was issued on April 22, 1982. Said Declare charged Defendant
14 Armstrong with 18 different "Crimes and High Crimes and
15 Suppressive Acts Against the Church." The charges included
16 theft, juggling accounts, obtaining loans on money under false
17 pretenses, promulgating false information about the Church,
18 its founder, and members, and other untruthful allegations
19 designed to make Defendant Armstrong an appropriate subject of
20 the Scientology "Fair Game Doctrine." Said Doctrine allows any
21 suppressive person to be "tricked, cheated, lied to, sued, or
22 destroyed."

23 The second declare was issued shortly after Defendant
24 Armstrong attempted to sell photographs of his wedding on board
25 Hubbard's ship (in which Hubbard appears), and photographs
26 belonging to some of his friends, which also included photos of
27 L.R. Hubbard while in seclusion. Although Defendant Armstrong
28 delivered the photographs to a Virgil Wilhite for sale, he

1 never received payment or return of his friend's photographs.
2 When he became aware that the Church had these photographs, he
3 went to the Organization to request their return. A loud and
4 boisterous argument ensued, and he eventually was told to leave
5 the premises and get an attorney.

6 From his extensive knowledge of the covert and
7 intelligence operations carried out by the Church of
8 Scientology of California against its enemies (suppressive
9 persons), Defendant Armstrong became terrified and feared that
10 his life and the life of his wife were in danger, and he also
11 feared he would be the target of costly and harassing lawsuits.
12 In addition, Mr. Garrison became afraid for the security of the
13 documents and believed that the intelligence network of the
14 Church of Scientology would break and enter his home to
15 retrieve them. Thus, Defendant Armstrong made copies of
16 certain documents for Mr. Garrison and maintained them in a
17 separate location.

18 It was thereafter, in the summer of 1982, that Defendant
19 Armstrong asked Mr. Garrison for copies of documents to use in
20 his defense and sent the documents to his attorneys, Michael
21 Flynn and Contos & Bunch.

22 After the within suit was filed on August 2, 1982,
23 Defendant Armstrong was the subject of harassment, including
24 being followed and surveilled by individuals who admitted
25 employment by Plaintiff; being assaulted by one of these
26 individuals; being struck bodily by a car driven by one of
27 these individuals; having two attempts made by said individuals
28 apparently to involve Defendant Armstrong in a freeway

1 automobile accident; having said individuals come onto
2 Defendant Armstrong's property, spy in his windows, create
3 disturbances, and upset his neighbors. During trial when it
4 appeared that Howard Schomer (a former Scientologist) might be
5 called as a defense witness, the Church engaged in a somewhat
6 sophisticated effort to suppress his testimony. It is not
7 clear how the Church became aware of defense intentions to call
8 Mr. Schomer as a witness, but it is abundantly clear they
9 sought to entice him back into the fold and prevent his
10 testimony.

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 55 HON. RONALD SWEARINGER, JUDGE

LARRY WOLLERSHEIM,)
)
 Plaintiff,)
)
 vs.) NO. C 332 027
)
 CHURCH OF SCIENTOLOGY OF)
 CALIFORNIA, a corporation,)
)
 Defendant.)

REPORTERS' TRANSCRIPT ON APPEAL

October 31, 1984 January 11, 1984
October 22 and 31, 1984 December 5, 1984
March 29, 1985, May 15, 1985, June 10 and 14, 1985
July 5, 1985, October 4, 15, 16, 21, 22, 28 and 30, 1985
November 5, 7 and 13, 1985, December 5, 11, and 15, 1985
January 15, 21 and 29, 1986
February 4, 7, 19-21, 24-28, 1986
March 4-7, 10-14, 17-21, 24-28 and 31, 1986
April 1-3, 7-11, 14, 17, 18, 21-24, 28-30, 1986
May 1, 2, 5-9, 12-16, 19-23, 28-30, 1986
June 2-6, 9-13, 16-20, 23-27, and 30, 1986
July 1-3, 7-11, 15, 18, 22, 24, and 29, 1986
September 4, 5, 9 and 26, 1986

APPEARANCES:

(See Title Pages by Date.)

KATHLEEN ADAMS, CSR #2853 JUNE AGEE, CSR #1087
ELSA BANDA, CSR #3226 CLAUDETTE BELL, CSR #4104
LEOPOLD CARRANZA, CSR #1593 ERMA DE MAR, CSR #2117
JOANNE EKERLING, CSR #2250 YVONNE ENGHOLM, CSR #2160
CAROLYN LAMPKIN, CSR #1548 CHARLOTTE MOHAMED, CSR #2384
CAROLE RICHARDSON, CSR #1265 EMANUEL SANZO, CSR #1267
ELIZABETH SCHNEIDER, CSR #1831 MARLENE SHELTON, CSR #828
GERALDINE WENDT, CSR #1116 LANA WILLIAMS, CSR #5485
Official Court Reporters, 111 North Hill Street
Los Angeles, California 90012

	MASTER INDEX - CHRONOLOGY					
	PLAINTIFF'S WITNESSES: DIRECT CROSS REDIRECT RECROSS				VOIR DIRE VOL.	
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2	PLAINTIFF'S WITNESSES: DIRECT CROSS REDIRECT RECROSS				VOIR DIRE VOL.	
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4	(res.)	804			7	
5	"	917	963		8	
6			986		8	
7	"		1046	1092	9	
8	"			1123	1124	9
9	(fur.)			1149		9
10	WALTERS, Edward	1157				9
11	(res.)	1241				10
12	"	1294				10
13	"	1392				11
14	"	1469				12
15	"	1548			1599	12
16	"	1625	1634			13
17	"		1778	1828		14
18	"			1842	1925	15
19	"				1939	15
20	(fur.)			1969	1977	15
21				1980	1980	15
22	HODEN, Ken Rev.	1984	1986	2008	2016	15
23	(fur.)			2026	2030	15
24	SINGER, Margaret Thal	2034				15
25	(res.)	2048				16
26					2060	16
27	"	2072				16
28	"	2155				16

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					DIRE	VOL.
1	MASTER INDEX - CHRONOLOGY					
2	<u>PLAINTIFF'S WITNESSES: DIRECT CROSS REDIRECT RECROSS DIRE VOL.</u>					
3	OFSHE, Richard J.					
4	(fur.)			7815	7823	52
5	SCHOMER, Howard D.	7858	7918			
6	(res.)		7940	7964	7966	53
7						
8						
9	<u>DEFENDANT'S WITNESSES: DIRECT CROSS REDIRECT RECROSS DIRE VOL.</u>					
10	HOCHMAN, John Ira	8152				55
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12	ROBERTS, Michael	8247				55
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15	"	8346				56
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21	(fur.)			8876	8878	59
22	MELROSE, Richard D.	8883	8907			59
23	(res.)		8930			60
24	HOOVER, Edward					
25	Franklin III	8968	8998			60
26	HYLAND, James P.	9048	9087			60
27	"		9103	9156		61
28	AMBROSE, Stephen Duey	9161	9207			61

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 55

HON. RONALD SWEARINGER, JUDGE

LARRY WOLLERSHEIM,

Plaintiff,

vs.

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, a corporation, et al.,

Defendants.

)
)
)
) NO. C 332 027
)
)
)
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)
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)

REPORTERS' DAILY TRANSCRIPT

July 11, 1986

APPEARANCES:

For Plaintiff:

GREENE, O'REILLY, BROILLET,
PAUL, SIMON, McMILLAN,
WHEELER & ROSENBERG
BY: CHARLES O'REILLY and
LETA SCHLOSSER

For the Defendants:

PAUL F. MOORE

COOLEY, MANION, MOORE & JONES
BY: EARLE C. COOLEY

OVERLAND, BERKE, WESLEY, GITS,
RANDOLPH & LEVANAS.
BY: ROBERT BERKE

ORIGINAL

VOLUME 96
Pages 14,809 to 14,895.

JOANNE EKERLING, CSR #2250
CAROLYN F. LAMPKIN, CSR
OFFICIAL COURT REPORTERS

1 LOS ANGELES, CALIFORNIA, TUESDAY, JULY 22, 1986, 3:11 P.M.

2 ---O---

3
4 THE COURT: Let's go on the record noting that the jury
5 and alternates are present. The parties are represented.

6 We understand, ladies and gentlemen,
7 you have arrived at a verdict.

8 THE FOREMAN: Yes, sir.

9 THE COURT: Who is your foreman? Would you
10 deliver the verdict to the court attendant.

11 (The foreman handed the verdict to the
12 court attendant and the court attendant
13 handed the verdict to the judge.)

14 THE COURT: I will ask the clerk to read the
15 verdict. (Handing verdict to the clerk.)

16 THE CLERK: Title of court and cause:

17 "We, the jury in the above entitled
18 action find with regard to intentional infliction
19 of emotional distress that the plaintiff,
20 Lawrence Dominic Wollersheim discovered or should he
21 have discovered the facts which he alleges
22 constituted intentional infliction of emotional
23 distress before July 28, 1979?

24 "Answer: No."

25 "With regard to negligent infliction
26 of emotional distress did the plaintiff Lawrence Dominic
27 Wollersheim discover or should he have discovered the facts
28 which he alleges constituted negligent infliction of emotional

1 distress before July 28, 1979?

2 "Answer: No.

3 "Dated July 22, 1986.

4 "Andre Anderson, Foreman."

5 Title of court and cause:

6 "We, the jury in the above-entitled
7 action find for the plaintiff, Lawrence Dominic
8 Wollersheim and against the defendant CHURCH
9 OF SCIENTOLOGY OF CALIFORNIA as follows:

10 "Check the appropriate box.

11 "(a) On the third cause of action,
12 intentional infliction of emotional distress,"
13 box is checked.

14 "(b) On the fourth cause of action,
15 negligent infliction of emotional distress,"
16 box is checked.

17 "We assess compensatory damages in
18 the sum of \$5 million. We assess punitive
19 damages as to the third cause of action, inten-
20 tional infliction of emotional distress, in
21 the sum of \$25 million."

22 MR. COOLEY: Request that the jury be polled.

23 THE CLERK: Excuse me, your Honor.

24 THE COURT: Just a moment.

25 THE CLERK: "Dated: July 22, 1986.

26 "Signed by Andre Anderson, Foreman."

27 Ladies and gentlemen of the jury is this your
28 verdict?

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard
6 Suite 2000
Hollywood, California 90028
7 (213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL
9

FILED

FEB - 4 1992

HOWARD HANSON
MARIN COUNTY CLERK
by P. Fan, Deputy

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
13 not-for-profit religious)
corporation;)

14 Plaintiff,)

15 vs.)

16)
17 GERALD ARMSTRONG; DOES 1)
through 25, inclusive,)
18 Defendants.)
19)

Case No. 188888

VERIFIED COMPLAINT FOR
DAMAGES AND FOR
PRELIMINARY AND PERMANENT
INJUNCTIVE RELIEF FOR
BREACH OF CONTRACT

20 Plaintiff, by its attorneys, Wilson, Ryan & Campilongo and
21 Bowles & Moxon, alleges:

22 NATURE OF THE ACTION

23 1. In violation of the express terms and spirit of a
24 settlement agreement ("the Agreement") entered into in December,
25 1986, defendant Gerald Armstrong ("Armstrong") has embarked on a
26 deliberate campaign designed to aid plaintiff's litigation
27 adversaries, breach the confidentiality provisions of the Agreement,
28 and foment litigation, hatred and ill-will toward

1 plaintiff.

2 2. Five years ago, plaintiff Church of Scientology
3 International ("CSI") entered into the Agreement with Armstrong, on
4 its own behalf and for the benefit of numerous third-party
5 beneficiaries. The Agreement provided for a mutual release and
6 waiver of all claims arising out of a cross-complaint which
7 defendant Armstrong had filed in the case of Church of Scientology
8 of California v. Gerald Armstrong, Los Angeles Superior Court No. C
9 420153. Armstrong, a former Church member who sought, by both
10 litigation and covert means, to disrupt the activities of his former
11 faith, displayed through the years an intense and abiding hatred for
12 the Churches, and an eagerness to annoy and harass his former co-
13 religionists by spreading enmity and hatred among members and former
14 members. Plaintiff sought, with the Agreement, to end all of
15 Armstrong's covert activities against it, along with the litigation
16 itself. For that reason, the Agreement contained carefully
17 negotiated and agreed-upon confidentiality provisions and provisions
18 prohibiting Armstrong from fomenting litigation against plaintiff by
19 third parties. These provisions were bargained for by plaintiff to
20 put an end to the enmity and strife generated by Mr. Armstrong once
21 and for all.

22 3. This action arises out of deliberate and repeated breaches
23 by Armstrong of these and other express provisions of the settlement
24 Agreement. Although plaintiff fully performed all of its
25 obligations under the Agreement, Armstrong appears to consider that
26 his obligations under the Agreement ended as soon as he had finished
27 spending the money he extracted from plaintiff as the price of his
28 signature. In June, 1991, Armstrong began a systematic campaign to

1 foment litigation against plaintiff by providing confidential
2 information, copies of the Agreement, declarations, and "paralegal"
3 assistance to litigants actively engaged in litigation against his
4 former adversaries. Although plaintiff has repeatedly demanded that
5 Armstrong end his constant and repeated breach of the provisions of
6 the Agreement, Armstrong appears to delight in renewing his annoying
7 and harassing activities, admitting to them in sworn declarations,
8 and refusing to end his improper liaisons.

9 4. With this complaint, plaintiff seeks the Court's aid in
10 obtaining the peace for which it bargained more than five years ago.
11 Plaintiff requests liquidated damages pursuant to the terms of the
12 Agreement, as well as injunctive relief to prevent additional and
13 future breaches of the Agreement by Armstrong.

14 THE PARTIES

15 5. Plaintiff Church of Scientology International is a non-
16 profit religious corporation incorporated under the laws of the
17 State of California, having its principal offices in Los Angeles,
18 California. Plaintiff CSI is the Mother Church of the Scientology
19 religion.

20 6. Defendant Gerald Armstrong is a resident of Marin County,
21 California.

22 7. Plaintiff is ignorant of the names and capacities of the
23 defendants identified as DOES 1 through 25, inclusive, and thus
24 brings suit against those defendants by their true names upon the
25 ascertainment of their true names and capacities, and their
26 responsibility for the conduct alleged herein.

27 / / /

28 / / /

THE CONTRACT

1
2 8. On or about December 6, 1986, CSI and Armstrong entered
3 into a written confidential settlement Agreement, described in
4 Paragraph 1 of this Complaint.

5 9. The Agreement was entered into by plaintiff and defendant
6 Armstrong, with the participation of their respective counsel after
7 full negotiation. Each provision of the Agreement was carefully
8 framed by the parties and their counsel to accurately reflect the
9 agreement of the parties.

10 10. Plaintiff specifically negotiated for and obtained from
11 Armstrong the provisions in the Agreement delineated in paragraphs
12 7(D), 7(H), 7(G), 10 and paragraphs 12 through 18, because it was
13 well aware, through investigation, that Armstrong had undertaken a
14 series of covert activities, apart from the litigation, which were
15 intended by Armstrong to discredit Church leaders, spark government
16 raids into the churches, create phony "evidence" of wrongdoing
17 against the Churches, and, ultimately, destroy the Churches and
18 their leadership.

19 11. In November, 1984, Armstrong was plotting against the
20 Scientology Churches and seeking out staff members in the church who
21 would be willing to assist him in overthrowing Church leadership.
22 The church obtained information about Armstrong's plans and, through
23 a police-sanctioned investigation, provided Armstrong with the
24 "defectors" he sought. On four separate occasions in November,
25 1984, Armstrong met with two individuals that he considered to be
26 defectors, whom he knew as "Joey" and "Mike." In reality, both
27 "Joey" and "Mike" were loyal Church members who, with permission
28 from the Los Angeles police, agreed to have their conversations with

1 Armstrong surreptitiously videotaped. during the course of these
2 conversations, Armstrong:

3 a. Demanded that "Joey" provide him with copies
4 of documents published by the Churches so that he could forge
5 documents in the same style. Armstrong wanted "Joey" to then
6 plant these Armstrong creations in the Church's files so that
7 Armstrong could tip off the Internal Revenue Service Criminal
8 Investigations Division ("CID"), and the incriminating
9 documents would be found in a resulting raid;

10 b. Sought to "set up" the defection of a senior
11 Scientologist by finding a woman to seduce him;

12 c. Told "Joey" all about his conversations with Al
13 Lipkin, an investigator for the L.A. CID, and attempted
14 to get "Joey" to call Lipkin and give him false information
15 that would implicate the church's leaders in the misuse of
16 donations; and

17 d. Instructed "Mike" on the methods of creating a
18 lawsuit against the church leadership based on nothing at
19 all:

20 ARMSTRONG: They can allege it. They can
21 allege it. They don't even have -- they can
allege it.

22 RINDER: So they don't even have to have the
23 document sitting in front of them and then--

24 ARMSTRONG: F____ing say the organization destroys
the documents.

25 * * *

26 Where are the -- we don't have to prove a goddamn
27 thing. We don't have to prove s__t; we just have to
allege it.

28 / / /

1 Given Armstrong's propensity to create trouble for the Churches
2 regardless of truth, the Churches naturally considered such
3 provisions to be an integral and necessary part of any settlement.

4 12. The Agreement also provided that plaintiff CSI would pay
5 to Armstrong's attorney, Michael Flynn, a lump sum amount intended
6 to settle not just Armstrong's case, but the cases of other clients
7 of Mr. Flynn as well, and that Mr. Flynn would pay to Armstrong a
8 portion of that settlement amount. The exact amount of the portion
9 to be paid to Armstrong by Mr. Flynn was maintained as confidential
10 between Mr. Flynn and Armstrong.

11 13. CSI paid to Mr. Flynn the lump sum settlement amount.

12 14. Mr. Flynn paid to Armstrong his confidential portion of
13 the lump sum settlement amount.

14 15. Plaintiff CSI has performed all of its obligations
15 pursuant to the Agreement.

16 FIRST CAUSE OF ACTION

17 (Against Armstrong for Breach of Contract)

18 16. Plaintiff realleges paragraphs 1 - 15, inclusive, and
19 incorporates them herein by reference.

20 17. Vicki and Richard Aznaran ("the Aznarans") are former
21 Scientology parishioners currently engaged in litigation against,
22 inter alia, RTC and CSI, in the case of Vicki J. Aznaran, et al. v.
23 Church of Scientology of California, et al., United States District
24 Court for the Central District of California, Case No. CV 88-1786
25 JMI (Ex).

26 18. In June, 1991, the Aznarans discharged their attorney,
27 Ford Greene, and retained attorney Joseph A. Yanny to represent
28 them.

1 19. While acting as the Aznarans' counsel, Yanny hired Gerald
2 Armstrong as a paralegal to help Yanny on the Aznaran case.

3 20. In July, 1991, Armstrong agreed to travel from Marin
4 County to Los Angeles and asked Yanny to pay him \$500 for his
5 proposed help.

6 21. In July, 1991, Armstrong did travel to Los Angeles as he
7 had agreed, stayed with Yanny on July 15 and July 16, 1991, and
8 provided Yanny with paralegal assistance and a declaration for the
9 Aznaran case.

10 22. Yanny is former counsel to CSI, and his substitution into
11 the case was vacated by the Court sua sponte on July 24, 1991, the
12 Court noting that Yanny's retention as the Aznarans' counsel was
13 "highly prejudicial" to RTC and CSI.

14 23. Armstrong's acceptance of employment by Yanny to work on
15 the Aznarans' litigation is a direct violation of Paragraphs 7(G)
16 and 10 of the Agreement.

17 24. As a direct and proximate result of Armstrong's breach of
18 the agreement by providing paralegal assistance to Yanny in the
19 Aznarans' litigation, plaintiff has incurred damages which are not
20 presently calculable. In no event, however, are they less than
21 \$800,000. Consequently, for this breach plaintiff seeks compensatory
22 and consequential damages according to proof.

23 SECOND CAUSE OF ACTION

24 (Against Armstrong for Breach of Contract)

25 25. Plaintiff realleges paragraphs 1 - 15, 17-23, inclusive,
26 and incorporates them herein by reference.

27 33. After Yanny entered his appearance in the Aznarans' case
28 and indicated to CSI's counsel that he represented Gerald Armstrong

1 as well, CSI brought suit against Yanny in the case of Religious
2 Technology Center, et al. v. Joseph A. Yanny, et al., Los Angeles
3 Superior Court No. BC 033035 ("RTC v. Yanny"). In that action,
4 plaintiff sought and obtained a Temporary Restraining Order and a
5 Preliminary Injunction against Yanny, which prohibit Yanny from
6 aiding, advising, or representing, directly or indirectly, the
7 Aznarans or Armstrong, on any matters relating to the plaintiff.

8 27. At the hearings before the Court on the temporary
9 restraining order and the injunction, Yanny filed two declarations
10 prepared and executed by Armstrong on July 16, 1991. The
11 declarations were offered by Yanny as part of Yanny's defense, which
12 was ultimately rejected by the Court when it issued its injunction.

13 28. Armstrong's aid to Yanny in the RTC v. Yanny case is a
14 direct violation of Paragraphs 7(G) and 10 of the Agreement.

15 29. Armstrong attached as an exhibit to one of his July 16,
16 1991 declarations a copy of the Agreement, the terms of which he had
17 agreed, pursuant to paragraph 18(D), to keep confidential. This
18 disclosure of the terms of the Agreement is a violation of its non-
19 disclosure provisions, requiring that Armstrong pay to CSI, RTC and
20 CSC \$50,000 in liquidated damages.

21 30. Despite demand by plaintiff, Armstrong has failed and
22 refused to pay them the \$50,000 owed in liquidated damages for this
23 breach of the Agreement.

24 THIRD CAUSE OF ACTION

25 (Against All Defendants for Breach of Contract)

26 31. Plaintiff realleges paragraphs 1 - 15, 17-23, 26-30,
27 inclusive, and incorporates them herein by reference.

28 32. After Yanny's substitution into the Aznarans' case was

1 summarily vacated, Ford Greene was reinstated as the Aznarans'
2 counsel of record. Ford Greene's law offices are located in San
3 Anselmo, California.

4 33. In or about August, 1991, Armstrong began working in Ford
5 Greene's office for Greene as a paralegal on the Aznarans' case.
6 Armstrong's employment in Greene's office has continued to the
7 present. Armstrong's activities constitute a daily and continuing
8 breach of his contract, rendering plaintiff's bargain a nullity.

9 34. Plaintiff CSI has already incurred, and continues to incur,
10 damages as a direct and proximate result of Armstrong's provision of
11 aid to Greene in the Aznarans' case. Those damages are not
12 presently calculable and will cease only when Armstrong is ordered
13 to stop his improper conduct. In no event, however, are they less
14 than \$800,000. Consequently, for this breach plaintiff seeks
15 compensatory and consequential damages according to proof.

16 FOURTH CAUSE OF ACTION

17 (Against All Defendants for Breach of Contract)

18 35. Plaintiff realleges paragraphs 1-15, 17-23, 26-30, 32-34,
19 inclusive, and incorporates them herein by reference.

20 36. In addition to the paralegal services which Armstrong has
21 provided to Ford Greene on the Aznarans' litigation, Armstrong also
22 provided the Aznarans with a declaration, dated August 26, 1991, and
23 filed in the Aznarans' case. In that declaration, Armstrong
24 describes some of his alleged experiences with and concerning
25 plaintiff, and purports to authenticate copies of certain documents.
26 These actions and disclosures are violations of Paragraphs 7(G),
27 7(H) and 10 of the Agreement, requiring that Armstrong pay to CSI
28 and RTC \$50,000 in liquidated damages.

1 37. Despite demand by plaintiff, Armstrong has failed and
2 refused to comply with the liquidated damages provision by paying
3 \$50,000 to plaintiff as demanded for this breach of the Agreement.

4 FIFTH CAUSE OF ACTION

5 (Against All Defendants for Injunctive Relief)

6 38. Plaintiff realleges paragraphs 1-15, 17-23, 26-30, 32-34,
7 36-37, inclusive, and incorporates them herein by reference.

8 39. As a direct and proximate result of Armstrong's breach of
9 the agreement by providing assistance to Greene in the Aznarans'
10 litigation, which breach is, on information and belief, persistent
11 and continuing, CSI is and will continue to be irreparably harmed,
12 and unless Armstrong and those acting in concert with him are
13 temporarily, preliminarily and permanently enjoined from continuing
14 that unlawful conduct, further irreparable harm will be caused to
15 CSI.

16 40. Further, as a direct and proximate result of Armstrong's
17 breach of the agreement by providing assistance to Yanny in Yanny's
18 litigation, which breach is, on information and belief, persistent
19 and continuing, CSI is and will continue to be irreparably harmed,
20 and unless Armstrong and those acting in concert with him are
21 temporarily, preliminarily and permanently enjoined from continuing
22 that unlawful conduct, further irreparable harm will be caused to
23 CSI.

24 WHEREFORE, plaintiff prays for judgment as follows:

25 ON THE FIRST CAUSE OF ACTION

- 26 1. For compensatory and consequential damages according to
- 27 proof, but in no event less than \$800,000.
- 28 2. For attorneys' fees and costs of suit.

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ON THE SECOND CAUSE OF ACTION

- 1. For liquidated damages in the amount of \$50,000.
- 2. For attorneys' fees and costs of suit.

ON THE THIRD CAUSE OF ACTION

- 1. For compensatory and consequential damages according to proof, but in no event less than \$800,000.
- 2. For attorneys' fees and costs of suit.

ON THE FOURTH CAUSE OF ACTION

- 1. For liquidated damages in the amount of \$50,000.
- 2. For attorneys' fees and costs of suit.

ON THE FIFTH CAUSE OF ACTION

- 1. For a temporary restraining order, preliminary injunction and a permanent injunction enjoining defendants from violating the terms of the Agreement.

ON ALL CAUSES OF ACTION

- 1. For such other and further relief as the Court may deem just and proper.

DATED: February 4, 1992

WILSON, RYAN & CAMPILONGO

BY: AS/ Andrew H. Gile
Andrew H. Wilson

Laurie J. Bartilson
BOWLES & MOXON

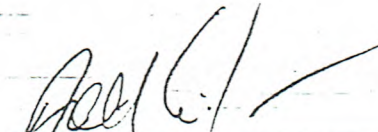
Attorneys for Plaintiff
Church of Scientology
International

VERIFICATION

I, ANDREW H. WILSON, declare as follows:

I am one of the attorneys for the Plaintiff Church of Scientology International in the above-entitled matter. I have read the foregoing Verified Complaint for Damages and for Preliminary and Permanent Injunctive Relief for Breach of Contract and know the contents thereof, which are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters, I believe it to be true.

I declare under the penalty of perjury pursuant to the laws of the State of California that the foregoing is true and correct. Executed on February 4, 1992, at San Francisco, California.



ANDREW H. WILSON

WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

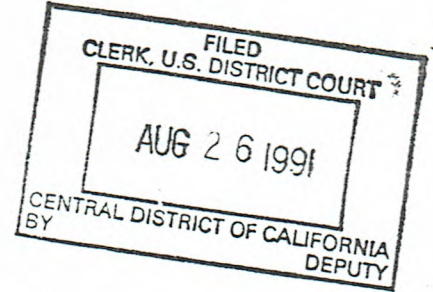
1 HUB LAW OFFICES
Ford Greene, Esquire
2 California Bar No. 107601
711 Sir Francis Drake Boulevard
3 San Anselmo, California 94960-1949
Telephone: (415) 258-0360

4 Attorney for Plaintiffs
5 VICKI J. AZNARAN and
6 RICHARD N. AZNARAN

RECEIVED

AUG 30 1991

HUB LAW OFFICES



8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10
11 VICKI J. AZNARAN and RICHARD N.)
AZNARAN,)

12 Plaintiffs,)

13 vs.)

14 CHURCH OF SCIENTOLOGY OF)
15 CALIFORNIA, et al.,)

16 Defendants.)

17)
18 AND RELATED COUNTER CLAIM)
19)

No. CV-88-1786-JMI (Ex)

DECLARATION OF FORD GREENE
OPPOSING MOTION TO
EXCLUDE EXPERT TESTIMONY

Date: September 9, 1991
Time: Discretionary
Ct: Hon. James M. Ideman

20 FORD GREENE declares:

21 1. I am an attorney licensed to practice law in the Courts
22 of the State of California, am admitted to practice in this Court,
23 and am the attorney of record for Vicki J. Aznaran and Richard N,
24 Aznaran, plaintiffs herein.

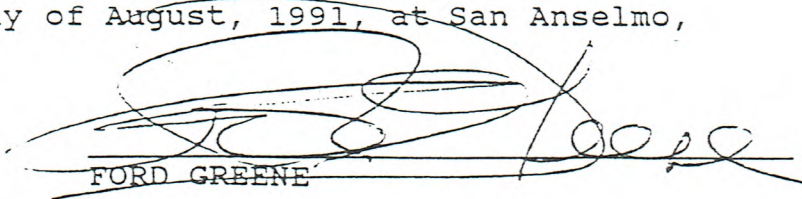
25 2. I have attached true and correct copies of the following
26 documents as exhibits in opposition to defendants' motion to
27 exclude testimony of plaintiffs' designated expert, Margaret Singer:
28 Exhibit A - Curriculum vitae of Margaret Singer.

HUB LAW OFFICES
FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 288-0360

- 1 Exhibit B - Order Granting Summary Judgment, filed October
- 2 21, 1983, in Molko v. Holy Spirit Association,
- 3 San Francisco Superior Court No. 769-529.
- 4 Exhibit C - Answers, served May 30, 1990, to Deposition
- 5 Upon Written Questions propounded to The
- 6 American Psychological Association in Ruehle v.
- 7 Lifespring, Inc., United States District Court
- 8 for the Southern District of New York, No. 89
- 9 Civ. 7679 (GLG).
- 10 Exhibit D - Excerpt from the "Diagnostic and Statistical
- 11 Manual of Mental Disorders" (3rd Ed. Revised
- 12 1987).
- 13 Exhibit E - Excerpt from "The Merck Manual of Diagnosis and
- 14 Therapy" (15th Ed. 1987).
- 15 Exhibit F - Declaration of Gerald Armstrong.
- 16 Exhibit F1 - Letter dated September 7, 1955 from L. Ron
- 17 Hubbard to the Federal Bureau of Investigation.
- 18 Exhibit F2 - Hubbard Communications Office Technical
- 19 Bulletin dated July 22, 1956.

20 Under penalty of perjury pursuant to the laws of the United
21 States, I hereby declare that the foregoing is true and correct
22 except as to those matters stated to be on information and belief,
23 and as to those matters, I believe them to be true.

24 Executed this 26th day of August, 1991, at San Anselmo,
25 California.


FORD GREENE

1 HUB LAW OFFICES
2 Ford Greene, Esquire
3 California Bar No. 107601
4 711 Sir Francis Drake Boulevard
5 San Anselmo, California 94960-1949
6 Telephone: (415) 258-0360

7
8 Attorney for Plaintiffs
9 VICKI J. AZNARAN and
10 RICHARD N. AZNARAN

11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA

13 VICKI J. AZNARAN and RICHARD N.)
14 AZNARAN,)

15 Plaintiffs,)

16 vs.)

17 CHURCH OF SCIENTOLOGY OF)
18 CALIFORNIA, et al.,)

19 Defendants.)

No. CV-88-1786-JMI (Ex)

DECLARATION OF GERALD
ARMSTRONG IN OPPOSITION
TO MOTION TO EXCLUDE
EXPERT TESTIMONY

20 AND RELATED COUNTER CLAIM)
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29 I, GERALD ARMSTRONG, declare:

30 1. I was a Scientologist from 1969 to 1981 and held many
31 organizational positions during that period. I was also the
32 defendant in an action entitled Church of Scientology vs.
33 Armstrong, in Los Angeles Superior Court. Judge Breckenridge's
34 opinion in that case was affirmed by the California Court of Appeal
35 on July 29, 1991.

36 2. Throughout 1980 and 1981 I was L. Ron Hubbard's
37 biographical researcher and archivist. During that period I read

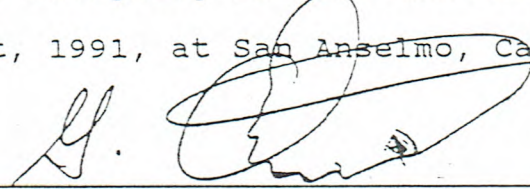
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711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

1 and studied his letter dated September 7, 1955 to the Federal
2 Bureau of Investigation and I provided a copy of it to writer, Omar
3 V. Garrison for his use in a biography of Hubbard. A true and
4 correct copy thereof is attached hereto as Exhibit 1.

5 3. While I was a Scientologist I read and studied L. Ron
6 Hubbard's Technical Bulletin of July 22, 1956. It was published in
7 the 1970's in bound volumes of Hubbard's "technical" writings and
8 has continued to be published in later volumes up to the present
9 time. A true and correct copy is attached hereto as Exhibit 2.

10 Under penalty of perjury, pursuant to the laws of the United
11 States I hereby declare that the foregoing is true and correct.

12 Executed this 26th day of August, 1991, at San Anselmo, California.

13 
14 _____
15 GERALD ARMSTRONG
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HUB LAW OFFICES
FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1940
(415) 258-0360

... RON HUBBARD, D.I. PH.

(SI)

Box 242
Silver Spring, Md.
Sept. 7, 1955

TO THE FEDERAL BUREAU OF INVESTIGATION
Communist Activities

Gentlemen:

2.1.11.11.11

A series of sudden insanities and disturbances in Dianetic and Scientology groups reached seven last week on the West Coast.

In Atomic Energy's Richland, Washington a young boy who had never been treated with Dianetics or Scientology but whose father Verne McAdams is the local Scientology group leader in Richland suddenly and mysteriously became insane, so suddenly and so thoroughly that the head of the institution for insane in Richland, evidently of good security, suspects the use of LSD; the insanity producing drug so favored by the APA. Two of our ministers in that area at my request went further into the situation and by means we will not detail recovered from the boy information of which his family had been entirely ignorant. On instructions to find the "other psychiatrist" our ministers by this means located an unsuspected one in Atomic Energy's front yard, a man who had been the construction company doctor during the building of Richland and who had then turned psychiatrist and whose name strangely enough is Menkowski (sp?). The boy had evidently had some association with this man before this sudden onset.

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With this information not yet cool long distance from San Francisco Bay Area notified us of the sudden and inexplicable descent into insanity of one Wanda Collins. She is ravingly insane and yet was completely sane a day ago. Her people and our people cannot account for a missing nine hour period just before this onset. You should be interested in this because Wanda Collins resigned from the Communist Party some time ago, foreswore it and tried to make amends with Scientology and would be a logical candidate for an LSD attack.

SEE REVERSE SIDE FOR
ADD. DISSEMINATION

RECORDED-1041

Concurrently with this in Phoenix Arizona

20 SEP 7 1955

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SEP 20 1955

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our Mr. Edd Clark was suddenly arrested "for practising medicine without a license", and this is very odd because he is the first Dianeticist or Scientologist in five years of world wide operation to be so accused. He could not have been practising medicine because Dianetics and Scientology seek only to assist able people to improve their talents and have no interest in sickness or insanity. He was arrested and without any search warrant all his papers and letters were seized even down to blank typewriter paper and were carried away, a fact which places this matter quite solidly in the field of the F.B.I. -- Mr. Clark is a half-blind deaf old man. He was once a chiropractor but has long since ceased to be one. He was told by the County Attorney that the County Attorney meant to "get to the bottom of this thing about Hubbard and Scientology."

The "bottom of the thing" can be found in "Who Knows and What" and "Who's Who in the East" in the local library or from bookstores which carry my books. My own life is about as hard to investigate as a white rock on a summer's day.

It is not uncommon in the past five years to have judges and attorneys mad-dogged at about what a terrible person I am and how foul is Scientology. Persons never named or available step in, spread violent tales and accusations and vanish. This mad-dogging has evidently been done at this County Attorney to prompt such a foolish action. This makes the third civil official in that area to go off half-cocked about Scientology. When it is all done and Scientology has been neatly ruined by the newspapers in the area and when all the charges have been quashed there is no one from whom any recompense can be drawn. "It was all a mistake" --

In 1950 the Dianetics Foundations were violently attacked and discredited. The 200 Foundation employees, when screened, yielded 35 Communist-connected persons. That done the commotion stopped. After three quiet years in the Phoenix area we forwarded to the Defense Department data on brain-washing. Instantly

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we became the subject of violence. Four people were seized by psychiatrists in that area to date and to this day so far as I know are still being held, their sanity shattered.

After we so informed the Defense Department about brain-washing technologies in our hands and offered them, we have been in a state of siege. Understand that we accuse the D.D. of nothing.

Psychiatrists as far north as Seattle have said they were "out to get every Scientologist." An Internal Revenue official has used those very words before witnesses and said he was going to get to the bottom of this thing in Phoenix. People in suspicious condition were sent from one place in Southern California to be "treated by Scientology" for insanity and yet we have no interest in treating anyone, especially the insane. Now two more people go suddenly and inexplicably insane in widely different places both the same way. All manner of defamatory rumors have been scattered around about me, questioning even my sanity which is fortunately a matter of good record with the Navy as by statement "having no psychotic or neurotic symptoms whatsoever."

I have a wife and three little kids. I have a good many thousand people scattered around the world trying to help their fellow man and I am responsible for these people. I am trying to turn out some monographs on matters in my field of nuclear physics and psychology for submission to the government on the subject of alleviating some of the distress of radiation burns, a project I came east to complete. This lawless and brutal attack on Scientology now spreading evidently to three states will probably not end until a great deal of injustice and human suffering has occurred.

Would you please discover for me or for yourselves the exact names and whereabouts of the persons whose statements inflamed the County Attorney in Phoenix in arresting a half-blind old man and seizing all his books and papers. If we have those names and if we trace them back we will have someplace to start on this madness


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RON HUBBARD, D.D. III

which now reaches into three states. Can you do this for us?

I am getting additional copies of the material which was offered to the Defense Department since that agency has not acknowledged or returned anything shipped to it about brain-washing and when I have these copies I will send one to you for this is the only starting place I know about for this outbreak and the matter, while far from conclusive at least tells me that something went astray which was dangerous in the wrong hands.

Could you please have your Phoenix office obtain the names of the people who defamed us to the County Attorney? Your Bay Area and Richland offices have already been apprised of the incidents in those areas.


L. Ron Hubbard

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HUBBARD COMMUNICATIONS OFFICE
217a Kensington High Street, London W.8

RUSH

July 22nd, 1956

To U.S. ONLY Julia Lewis, Dick Steves, L. Ron Hubbard, Jr.

To England ONLY Association Secretary (Jack Parkhouse)
Director of Processing (Ann Walker)
Director of Training (Dennis Stephens)

Staff Auditors, Instructors and Auditors close to Operation only.

TECHNICAL BULLETIN OF 22 JULY 1956

I feel the urge to communicate to you the best news since 1950.

I have whipped the problems of the whole track and memory of the past and can resolve the worst cases we have ever had. That is a huge statement *but* I have solved and can untangle in an intensive the problems of the vacuum and havingness plus memory and health and have just done so. Hence the exuberance.

Also, other auditors can solve these in a case as well. NIBS has just cracked two six-year-standing Black Fives using some of this material and Herbie Parkhouse has had considerable luck with solids.

We are now capable of solving Book One style cases to the extreme level of clear.

No wild burst of enthusiasm is here intended. I have to put the finishing touches on a lot of things and the process is still slow—25 to 75 hours. But I've now done it and seen it done to worse cases than any you've had. And that's fact!

Okay. It's not simple. It requires a minute understanding of Book One. It would take me 50 pages to explain all I've lately found about vacuums. You haven't seen the last of me or of study, but you will have seen the last of unsuccessful cases providing only that we have time and environment in which to audit them.

We can make homo novis. (AND give a grin to those who kept standing around bleating, "Where are the clears?")

We know more about life now than life does—for a fact, since *it* was reaching, we can communicate about the reactions.

The process is concerned with "making it solid" combined with effects. It isn't easy. It is wonderfully complex and delicate. But it *has* been done. And it is being done.

Our cases gained but sometimes slumped. Why? Because an electronic vacuum restimulated on the track after sessions, and robbed the case's havingness.

A vacuum isn't a hole. It's a collapsed bank. Every lifetime bank is collapsed into a vacuum.

The formula is—

1. Run pc on start-change and stop for *hours* until he is under auditor's control, in session and (often) exteriorized.
2. Then run him with commands "What are you looking at?" "Good." "Make it solid."

He will eventually hit a vacuum. (He'd hit it faster on "Recall a can't have" but it's too fast.) Here's the tangle. The vacuum is a super-cold mass or an electric shock. This "drank up" bank electronically (brainwashed him). The energy drunk turned black. Hence black cases. (Does not apply only to black cases however.)

3. Run, interspersed with solids and "objective can't have" on the room. "Tell me an effect object (that drank bank) could *not* have on you," and "Tell me an effect you could have on object." Object may be electrodes or supercold plate or even a supercold glass.

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EXHIBIT

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PAGE

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Caution, handle one vacuum at a time. These vacuums go back for 76 Trillion years. They were the original brainwash thetans did to one another, then psychiatrists (on the whole track) did expertly (modern psychiatrists are punks, modern shock too feeble to do more than restimulate old vacuums).

Take the vacuum that comes up running solids, or even "Recall a can't have", whatever it is and solve it as above.

This is delicate auditing. If you restimulate a vacuum too hard, the whole track groups on it.

Read Book One. Add vacuums instead of word groupers, use above and you'll probably get through to success. Nibs did and I had given him less than you have here. Of course, he's one of the best auditors in the business, so go easy. And Herbie Parkhouse is no slouch.

CAUTIONARY

This is true—

1. We have created the permanent stable clear.
2. In creating him we have a homo novis in the full sense, not just an Operating Thetan.
3. We now know more than life. An oddity indeed!
4. We now know more about psychiatry than psychiatrists. We can brainwash faster than the Russians (20 secs to total amnesia against three years to slightly confused loyalty).
5. We can undo whatever psychiatrists do, even the tougher grade from away back. We can therefore undo a brainwash in 25 to 75 hours.
6. We can create something better than that outlined and promised in Book One.

BUT

1. We need to know more and be more accurate than ever before about the time track and auditing. I have not given a thousandth of what I know about this.
2. We have a new game but also new responsibilities amongst men.
3. This data in the wrong hands before we are fully prepared could raise the Devil Literally.
4. Because we know more than the Insanity Gang, we're not fighting them.
5. Because we can undo what we do, we must retain a fine moral sense, tougher by far than any of the past.
6. We can create better than in Book One now only if we know Book One and know our full subject.

AND WE DO NOT YET KNOW ALL THE SAFETY PRECAUTION TO BE USED.

I will be giving this data in full at the Games Congress, Shoreham Hotel, WASHINGTON, D.C., August 31st, to September 3rd, 1956.

The exact regimen of this will be SLP 8 and will include the total picture of separating valences from bodies (which must still be done by the auditor, a formula I now have).

I have given you this data in this bulletin at this time because now I know I know and I want you to share in seeing the surge of vision which will be our future.

L. RON HUBBARD

P.S. (Actually, contrary to rumor, it hasn't all been done before. If it had been, the guy who is saying it has would be clear!)